
By: **Senators Munson, Middleton, Brinkley, Colburn, Dyson, Hafer, Haines,
Harris, Hooper, Jacobs, Kittleman, Klausmeier, Kramer, Mooney,
Pipkin, and Stoltzfus**

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Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **2020 Rural Maryland - Agricultural and Resource-Based Industry**
3 **Development Act**

4 FOR the purpose of establishing the Maryland Agricultural and Resource-Based
5 Industry Development Corporation for certain purposes; establishing the
6 membership, terms, and duties of the board of directors of the corporation;
7 providing for the staffing of and assistance to the corporation; establishing the
8 powers and duties of the corporation; authorizing the corporation to acquire and
9 dispose of certain property, to finance certain projects, to issue, redeem, and
10 secure certain bonds and debt, including revenue bonds and refunding bonds;
11 authorizing the corporation to make certain loans, insure certain assets and
12 matters, establish and collect certain charges, and establish and pay certain
13 interest; authorizing certain lending institutions and other persons to take
14 certain actions concerning the corporation; establishing the conditions under
15 which the corporation may issue and redeem certain debt; providing that
16 neither the State nor any political subdivision other than the corporation shall
17 be obliged to pay a bond or interest of the corporation except from revenues
18 pledged on the bond; providing that neither the full faith and credit nor the
19 taxing power of the State or any political subdivision of the State is pledged to
20 the payment of the principal or interest of bonds of the corporation; authorizing
21 the Treasurer to advance certain funds to the corporation, to be repaid in a
22 certain manner; providing that the books and records of the corporation are
23 subject to audit; providing for certain exemptions from certain State laws for the
24 corporation; providing that the corporation and certain persons are subject to
25 certain laws; providing for certain funding for the corporation; providing that
26 the debts, claims, obligations, and liabilities of the corporation are of the
27 corporation only, and not of the State or any other unit, instrumentality, officer,
28 or employee of the State; defining certain terms; stating certain findings of the
29 General Assembly; requiring certain reports about the corporation to certain
30 persons on certain dates; making the provisions of this Act severable; and
31 generally relating to Maryland agricultural and resource-based industry
32 development.

33 BY adding to

1 Article 41 - Governor - Executive and Administrative Departments
2 Section 13-501 through 13-516, inclusive, to be under the new subtitle "Subtitle
3 5. Maryland Agricultural and Resource-Based Industry Development
4 Corporation"
5 Annotated Code of Maryland
6 (2003 Replacement Volume)

7 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
8 MARYLAND, That the Laws of Maryland read as follows:

9 **Article 41 - Governor - Executive and Administrative Departments**

10 SUBTITLE 5. MARYLAND AGRICULTURAL AND RESOURCE-BASED INDUSTRY
11 DEVELOPMENT CORPORATION.

12 13-501.

13 (A) IN THIS SUBTITLE THE FOLLOWING TERMS HAVE THE MEANINGS
14 INDICATED.

15 (B) "AGRICULTURAL LOAN" MEANS A LOAN MADE BY A LENDING INSTITUTION
16 TO ANY PERSON FOR THE PURPOSE OF FINANCING:

17 (1) LAND ACQUISITION OR IMPROVEMENT;

18 (2) AGRICULTURAL, AQUACULTURAL, EQUINE, HORTICULTURAL, OR
19 SILVICULTURAL PRODUCTION;

20 (3) SOIL CONSERVATION;

21 (4) POND CONSTRUCTION;

22 (5) IRRIGATION;

23 (6) WATER WELL DRILLING;

24 (7) CONSTRUCTION, RENOVATION, OR EXPANSION OF BUILDINGS AND
25 FACILITIES;

26 (8) PURCHASE OF FARM FIXTURES, LIVESTOCK, OR POULTRY;

27 (9) FISH, CRUSTACEANS, AND MOLLUSKS OF ANY KIND;

28 (10) SEEDS, PLANTS, AND TREES;

29 (11) FERTILIZERS;

30 (12) PESTICIDES;

31 (13) FEEDS;

1 (14) MACHINERY;

2 (15) EQUIPMENT; OR

3 (16) CONTAINERS OR SUPPLIES EMPLOYED IN THE PRODUCTION,
4 CULTIVATION, HARVESTING, PROCESSING, STORAGE, MARKETING, DISTRIBUTION,
5 OR EXPORT OF AGRICULTURAL PRODUCTS.

6 (C) "AGRICULTURE" MEANS THE COMMERCIAL PRODUCTION, STORAGE,
7 PROCESSING, MARKETING, DISTRIBUTION, OR EXPORT OF AN AGRONOMIC,
8 AQUACULTURAL, EQUINE, FLORICULTURAL, HORTICULTURAL, ORNAMENTAL,
9 SILVICULTURAL, OR VITICULTURAL CROP, INCLUDING:

10 (1) FARM PRODUCTS;

11 (2) LIVESTOCK AND LIVESTOCK PRODUCTS;

12 (3) POULTRY AND POULTRY PRODUCTS;

13 (4) MILK AND DAIRY PRODUCTS;

14 (5) TIMBER AND FOREST PRODUCTS;

15 (6) FRUIT AND HORTICULTURAL PRODUCTS; AND

16 (7) SEAFOOD AND AQUACULTURAL PRODUCTS.

17 (D) "BOARD" MEANS THE BOARD OF DIRECTORS OF THE CORPORATION.

18 (E) "BOND" MEANS A BOND, NOTE, RENEWAL NOTE, REFUNDING BOND,
19 INTERIM CERTIFICATE, CERTIFICATE OF INDEBTEDNESS, DEBENTURE, WARRANT,
20 COMMERCIAL PAPER, OR OTHER OBLIGATION OR EVIDENCE OF INDEBTEDNESS
21 AUTHORIZED TO BE ISSUED BY THE CORPORATION UNDER THIS SUBTITLE.

22 (F) "CORPORATION" MEANS THE MARYLAND AGRICULTURAL AND
23 RESOURCE-BASED INDUSTRY DEVELOPMENT CORPORATION ESTABLISHED UNDER
24 THIS SUBTITLE.

25 (G) "LENDING INSTITUTION" MEANS A BANK, BANK OR TRUST COMPANY,
26 FEDERAL LAND BANK, FARM CREDIT ASSOCIATION, BANK FOR COOPERATIVES,
27 BUILDING AND LOAN ASSOCIATION, HOMESTEAD, INSURANCE COMPANY,
28 INVESTMENT BANKER, MORTGAGE BANKER OR COMPANY, PENSION OR RETIREMENT
29 FUND, SAVINGS BANK OR SAVINGS AND LOAN ASSOCIATION, SMALL BUSINESS
30 INVESTMENT COMPANY, CREDIT UNION, OR ANY OTHER FINANCIAL INSTITUTION
31 AUTHORIZED TO DO BUSINESS IN THE STATE OR OPERATING UNDER THE
32 SUPERVISION OF A FEDERAL UNIT.

33 (H) (1) "PERSON" MEANS AN INDIVIDUAL, RECEIVER, TRUSTEE, GUARDIAN,
34 PERSONAL REPRESENTATIVE, FIDUCIARY, REPRESENTATIVE OF ANY KIND,
35 PARTNERSHIP, FIRM, ASSOCIATION, CORPORATION, OR OTHER ENTITY.

1 (2) "PERSON" INCLUDES A UNIT OF A STATE OR OF THE FEDERAL
2 GOVERNMENT.

3 (I) (1) "PROJECT" MEANS A PROPERTY, THE ACQUISITION, CONSTRUCTION,
4 RECONSTRUCTION, EQUIPPING, EXPANSION, EXTENSION, IMPROVEMENT,
5 REHABILITATION, OR REMODELING OF WHICH THE BOARD, IN ITS SOLE AND
6 ABSOLUTE DISCRETION, DETERMINES BY RESOLUTION WILL ACCOMPLISH AT LEAST
7 ONE OF THE PURPOSES LISTED IN §§ 13-502 AND 13-503 OF THIS SUBTITLE, WHETHER
8 THE PROPERTY, OR ANY INTEREST IN THE PROPERTY:

9 (I) IS OR WILL BE USED OR OPERATED FOR PROFIT OR NOT FOR
10 PROFIT;

11 (II) IS OR WILL BE LOCATED ON A SINGLE SITE OR MULTIPLE SITES;
12 OR

13 (III) MAY BE FINANCED BY BONDS, THE INTEREST ON WHICH IS
14 EXEMPT FROM FEDERAL INCOME TAXATION UNDER FEDERAL LAW.

15 (2) "PROJECT" INCLUDES:

16 (I) LAND OR ANY INTEREST IN LAND;

17 (II) BUILDINGS, STRUCTURES, MACHINERY, EQUIPMENT,
18 FURNISHINGS, RAIL OR MOTOR VEHICLES, BARGES, AND BOATS;

19 (III) REAL OR PERSONAL PROPERTY, OR ANY COMBINATION OF
20 THEM, AND RIGHTS RELATED TO THE PROPERTY, APPURTENANCES, RIGHTS-OF-WAY,
21 FRANCHISES, EASEMENTS, AND OTHER INTERESTS IN LAND;

22 (IV) LAND AND FACILITIES FUNCTIONALLY RELATED AND
23 SUBORDINATE TO THE PROJECT; AND

24 (V) PATENTS, LICENSES, AND OTHER RIGHTS NECESSARY OR
25 USEFUL IN THE CONSTRUCTION OR OPERATION OF A PROJECT.

26 (J) (1) "REVENUE" MEANS THE INCOME, REVENUE, AND OTHER MONEY
27 RECEIVED BY THE CORPORATION FROM OR IN CONNECTION WITH A PROJECT.

28 (2) "REVENUE" INCLUDES GRANTS, RENTALS, RATES, FEES, CHARGES
29 FOR THE USE OF THE SERVICES FURNISHED OR AVAILABLE, AND ALL OTHER
30 INCOME INURING TO THE CORPORATION.

31 (3) THE CORPORATION MAY FURTHER DEFINE OR LIMIT THE TERM
32 "REVENUE" AS APPLIED TO A PARTICULAR PROJECT, FINANCING, OR OTHER MATTER.

1 13-502.

2 THE GENERAL ASSEMBLY FINDS THAT:

3 (1) THE STATE'S AGRICULTURAL AND RESOURCE-BASED INDUSTRIES
4 CONTINUE TO UNDERPIN THE LOCAL ECONOMIES OF RURAL COMMUNITIES, BUT
5 ARE INCREASINGLY UNDER THREAT FROM NATIONAL AND INTERNATIONAL MARKET
6 COMPETITION, URBAN ENCROACHMENT AND LAND DEVELOPMENT PRESSURE, AND
7 ENVIRONMENTAL AND REGULATORY INFLUENCES;

8 (2) THE CONSTRUCTION AND RENOVATION OF FOOD AND FIBER
9 PROCESSING AND SECONDARY MANUFACTURING FACILITIES OFTEN REQUIRE
10 CREDIT AND CAPITAL IN AMOUNTS THAT FAR EXCEED THE AVAILABLE RESOURCES
11 OF INDIVIDUAL SMALL PRODUCERS AND SMALL BUSINESSES;

12 (3) PRIVATE ENTERPRISE AND EXISTING FEDERAL AND STATE
13 GOVERNMENTAL PROGRAMS HAVE NOT ADEQUATELY ADDRESSED AGRICULTURAL
14 INDUSTRY SUPPORT OR DEVELOPMENTAL OPPORTUNITIES RELATING TO EMERGENT
15 VALUE-ADDED AGRICULTURAL PROCESSING ACTIVITIES, NEW OR ALTERNATIVE
16 MARKETS DEVELOPMENT, PRIMARY AND SECONDARY MANUFACTURING,
17 ASSISTANCE FOR BEGINNING FARMERS AND PRODUCERS, AND FINANCIAL SUPPORT
18 FOR ENVIRONMENTAL OR TECHNOLOGICAL ENHANCEMENTS;

19 (4) WHILE SOME TRADITIONAL AGRICULTURAL ENTERPRISES IN THE
20 STATE MAY HAVE ACCESS TO MARKETS, CAPITAL, AND CREDIT, OTHER EXISTING OR
21 EMERGING SEGMENTS OF THE AGRICULTURAL INDUSTRY LACK MARKET ACCESS,
22 CAPITAL, AND CREDIT AVAILABLE FOR INVESTMENT IN AGRICULTURE, FOR
23 DOMESTIC AND EXPORT PURPOSES, AND AT INTEREST RATES WITHIN THE
24 FINANCIAL MEANS OF PERSONS ENGAGED IN AGRICULTURAL PRODUCTION AND
25 AGRICULTURAL EXPORTS;

26 (5) IN CONJUNCTION WITH THE FINANCIAL AND OTHER CHALLENGES
27 ASSOCIATED WITH TRADITIONAL AGRICULTURAL INDUSTRY, THERE IS A NEED TO
28 PROVIDE ECONOMIC AND MARKET DEVELOPMENT ASSISTANCE TO THOSE
29 INDIVIDUALS WHO WISH TO START, CONVERT, OR DIVERSIFY THEIR AGRICULTURAL
30 OPERATIONS, OR TO MAKE IMPROVEMENTS ASSOCIATED WITH ENVIRONMENTAL
31 REGULATIONS AND POTENTIAL MARKET OPPORTUNITIES; AND

32 (6) IT IS A MATTER OF SIGNIFICANT RURAL ECONOMIC DEVELOPMENT
33 IMPORTANCE THAT THE MARYLAND AGRICULTURAL AND RESOURCE-BASED
34 INDUSTRY DEVELOPMENT CORPORATION BE CREATED AND AUTHORIZED TO:

35 (I) DEVELOP AGRICULTURAL INDUSTRIES AND MARKETS;

36 (II) SUPPORT APPROPRIATE COMMERCIALIZATION OF
37 AGRICULTURAL PROCESSES AND TECHNOLOGY; AND

38 (III) ALLEVIATE THE SHORTAGE OF NONTRADITIONAL CAPITAL AND
39 CREDIT AVAILABLE AT AFFORDABLE INTEREST RATES FOR:

- 1 1. INVESTMENT IN AGRICULTURE TO PROMOTE AND ASSIST
2 AGRICULTURE IN THE STATE;
- 3 2. THE SALE OF AGRICULTURAL PRODUCTS, COMMODITIES,
4 AND SERVICES; AND
- 5 3. CAPITAL INVESTMENT IN AGRICULTURAL PROJECTS BY
6 PROVIDING CAPITAL AND CREDIT WITHIN THE FINANCIAL MEANS OF PERSONS
7 ENGAGED IN AGRICULTURE IN THE STATE.

8 13-503.

9 (A) THERE IS A MARYLAND AGRICULTURAL AND RESOURCE-BASED INDUSTRY
10 DEVELOPMENT CORPORATION.

11 (B) THE CORPORATION IS:

- 12 (1) A PUBLIC CORPORATION; AND
- 13 (2) AN INSTRUMENTALITY OF THE STATE.

14 (C) THE PURPOSE OF THE CORPORATION IS TO:

15 (1) ASSIST THE VIABILITY OF THE STATE'S DIVERSE AGRICULTURAL
16 INDUSTRY THROUGH NEW MARKETS DEVELOPMENT, CAPITAL AND CREDIT
17 ENHANCEMENTS, AND TECHNICAL AND OTHER ASSISTANCE TO SUPPORT, CREATE,
18 AND SUSTAIN AGRICULTURAL BUSINESSES THROUGHOUT THE STATE;

19 (2) PROVIDE FINANCING AND OTHER ASSISTANCE FOR PRODUCT
20 DEVELOPMENT, START-UP AND SCALE-UP OF MARYLAND FOOD- AND
21 FIBER-RELATED GROWING AND PROCESSING OPERATIONS, AND FOR
22 TECHNOLOGICAL ENHANCEMENTS THAT BENEFIT THE ENVIRONMENT AND WATER
23 QUALITY;

24 (3) SEEK PARTNERSHIPS AND LEVERAGING OPPORTUNITIES WITH
25 PUBLIC AND PRIVATE FOR-PROFIT AND NOT-FOR-PROFIT ENTITIES IN MAKING
26 CAPITAL AND CREDIT ASSISTANCE AVAILABLE TO INDIVIDUAL PRODUCERS,
27 PRODUCER COOPERATIVES, AND OTHER AGRIBUSINESS CONCERNS OPERATING IN
28 THE STATE;

29 (4) FACILITATE AND SUPPORT ACCESS TO HIGH QUALITY TECHNICAL
30 RESOURCES FOR AGRICULTURAL ENTREPRENEURS BY INCORPORATING EXISTING
31 SUPPORT INFRASTRUCTURE INCLUDING THE DEVELOPMENT OF STRATEGIC
32 PARTNERING OPPORTUNITIES AND BUSINESS INCUBATION;

33 (5) FOSTER CROSS-INDUSTRY COMMUNICATION AND ASSIST OTHER
34 ORGANIZATIONS IN TRANSFERRING TO THE PRIVATE SECTOR AND
35 COMMERCIALIZING THE RESULTS AND PRODUCTS OF SCIENTIFIC AGRICULTURAL
36 RESEARCH AND DEVELOPMENT CONDUCTED BY THE FEDERAL GOVERNMENT AND
37 COLLEGES AND UNIVERSITIES; AND

1 (6) WORK WITH PUBLIC AND PRIVATE LENDING AND GRANT-MAKING
2 INSTITUTIONS TO:

3 (I) MAKE LOW- AND NO-INTEREST LOANS AND LOAN
4 GUARANTEES AVAILABLE FOR AGRICULTURAL PRODUCT DEVELOPMENT, PRIMARY
5 PROCESSING, AND SECONDARY MANUFACTURING;

6 (II) PROVIDE CREDIT AND CAPITAL TO FIRST-TIME FARMERS FOR
7 LAND, EQUIPMENT, AND WORKING CAPITAL ACQUISITION; AND

8 (III) MAKE INCENTIVES AVAILABLE FOR ACTIVITIES RELATED TO
9 SMALL FARM OR SMALL LANDOWNER VIABILITY AND BEST MANAGEMENT
10 PRACTICES.

11 13-504.

12 (A) (1) THERE IS A BOARD OF DIRECTORS OF THE CORPORATION.

13 (2) THE BOARD MANAGES THE CORPORATION AND EXERCISES ALL OF
14 ITS CORPORATE POWERS.

15 (B) THE BOARD CONSISTS OF THE FOLLOWING MEMBERS:

16 (1) AS EX OFFICIO MEMBERS:

17 (I) THE SECRETARY OF AGRICULTURE OR A DESIGNEE OF THE
18 SECRETARY WHO MUST BE A SENIOR-LEVEL DEPARTMENTAL OFFICIAL;

19 (II) THE SECRETARY OF NATURAL RESOURCES OR A DESIGNEE OF
20 THE SECRETARY WHO MUST BE A SENIOR-LEVEL DEPARTMENTAL OFFICIAL;

21 (III) THE SECRETARY OF BUSINESS AND ECONOMIC DEVELOPMENT
22 OR A DESIGNEE OF THE SECRETARY WHO MUST BE A SENIOR-LEVEL
23 DEPARTMENTAL OFFICIAL;

24 (IV) THE EXECUTIVE DIRECTOR OF THE MARYLAND FOOD CENTER
25 AUTHORITY;

26 (V) THE EXECUTIVE DIRECTOR OF THE RURAL MARYLAND
27 COUNCIL; AND

28 (VI) THE DIRECTOR OF THE MARYLAND COOPERATIVE EXTENSION
29 SERVICE; AND

30 (2) ELEVEN INDIVIDUALS APPOINTED BY THE GOVERNOR WITH THE
31 ADVICE AND CONSENT OF THE SENATE AS FOLLOWS:

32 (I) TWO AGRICULTURAL PRODUCERS REPRESENTING AT LEAST
33 TWO DIFFERENT FARM COMMODITY INDUSTRIES IN THE STATE;

1 (II) TWO REPRESENTATIVES FROM COMMERCIAL LENDING
2 INSTITUTIONS SERVING RURAL REGIONS IN THE STATE, ONE OF WHOM MUST
3 REPRESENT A MAJOR FARM CREDIT ORGANIZATION OPERATING IN THE STATE;

4 (III) ONE REPRESENTATIVE OF THE TIMBER AND FOREST
5 PRODUCTS INDUSTRY;

6 (IV) ONE REPRESENTATIVE OF THE AQUACULTURE INDUSTRY;

7 (V) ONE REPRESENTATIVE OF THE COMMERCIAL SEAFOOD
8 HARVESTING AND PROCESSING INDUSTRY;

9 (VI) ONE INDIVIDUAL WITH KNOWLEDGE AND EXPERIENCE IN THE
10 AREA OF OPERATING COMMERCIAL FOOD OR FIBER PROCESSING FACILITIES;

11 (VII) ONE INDIVIDUAL WITH KNOWLEDGE AND EXPERIENCE IN THE
12 AREA OF PUBLIC FINANCE;

13 (VIII) ONE INDIVIDUAL WITH KNOWLEDGE AND EXPERIENCE IN THE
14 AREA OF RURAL ECONOMIC DEVELOPMENT OR AGRICULTURAL MARKETING; AND

15 (IX) ONE INDIVIDUAL WITH KNOWLEDGE ABOUT THE
16 AGRICULTURAL, FORESTRY, OR SEAFOOD INDUSTRIES IN THE STATE OR WITH
17 SUBSTANTIAL AND RELEVANT ECONOMIC DEVELOPMENT EXPERIENCE.

18 (C) (1) IN APPOINTING BOARD MEMBERS UNDER SUBSECTION (B)(2) OF THIS
19 SECTION, THE GOVERNOR SHALL CONSIDER ALL OF THE GEOGRAPHIC REGIONS OF
20 THE STATE.

21 (2) A BOARD MEMBER MUST BE A RESIDENT OF THE STATE.

22 (3) A BOARD MEMBER:

23 (I) SERVES WITHOUT COMPENSATION; BUT

24 (II) IS ENTITLED TO REIMBURSEMENT FOR EXPENSES UNDER THE
25 STANDARD STATE TRAVEL REGULATIONS AS PROVIDED IN THE STATE BUDGET.

26 (4) THE GOVERNOR MAY REMOVE A BOARD MEMBER FOR
27 INCOMPETENCE, MISCONDUCT, OR FAILURE TO PERFORM THE DUTIES OF THE
28 POSITION.

29 (D) (1) THE TERM OF A BOARD MEMBER APPOINTED UNDER SUBSECTION
30 (B)(2) OF THIS SECTION IS 4 YEARS.

31 (2) THE TERMS OF THE APPOINTED MEMBERS ARE STAGGERED AS
32 REQUIRED BY THE TERMS PROVIDED FOR THE MEMBERS ON JULY 1, 2004.

33 (3) AT THE END OF A TERM, AN APPOINTED MEMBER CONTINUES TO
34 SERVE UNTIL A SUCCESSOR IS APPOINTED AND QUALIFIES.

1 (4) A MEMBER WHO IS APPOINTED AFTER A TERM HAS BEGUN SERVES
2 ONLY FOR THE REST OF THE TERM AND UNTIL A SUCCESSOR IS APPOINTED AND
3 QUALIFIES.

4 (E) THE BOARD SHALL ELECT A CHAIR FROM AMONG ITS MEMBERS.

5 (F) THE BOARD MAY ACT WITH AN AFFIRMATIVE VOTE OF NINE MEMBERS.

6 13-505.

7 THE CORPORATION SHALL EMPLOY AN EXECUTIVE DIRECTOR WITH
8 EXPERIENCE AND QUALIFICATIONS RELEVANT TO THE ACTIVITIES AND THE
9 PURPOSES OF THE CORPORATION.

10 13-506.

11 THE ATTORNEY GENERAL SHALL SERVE AS LEGAL ADVISOR TO THE
12 CORPORATION.

13 13-507.

14 THE CORPORATION MAY:

15 (1) ADOPT BYLAWS;

16 (2) ADOPT A SEAL;

17 (3) MAINTAIN OFFICES AT A PLACE IN THE STATE THAT THE
18 CORPORATION DESIGNATES;

19 (4) APPLY FOR AND ACCEPT LOANS, GRANTS, OR ASSISTANCE IN ANY
20 FORM FROM FEDERAL, STATE, OR LOCAL GOVERNMENTS, COLLEGES OR
21 UNIVERSITIES, OR PRIVATE SOURCES;

22 (5) MAKE, EXECUTE, AND ENTER INTO ANY CONTRACTS OR LEGAL
23 INSTRUMENTS;

24 (6) SUE OR BE SUED;

25 (7) ACQUIRE, CONSTRUCT, DEVELOP, MANAGE, MARKET,
26 MANUFACTURE, LICENSE, SUBLICENSE, RECONSTRUCT, REHABILITATE, IMPROVE,
27 MAINTAIN, EQUIP, LEASE AS A LESSOR OR AS A LESSEE, REPAIR, AND OPERATE ANY
28 PROJECT IN THE STATE TO CARRY OUT THE PURPOSES OF THE CORPORATION;

29 (8) ACQUIRE, PURCHASE, HOLD, LEASE AS A LESSEE, AND USE A
30 FRANCHISE, PATENT, OR LICENSE AND REAL, PERSONAL, MIXED, OR TANGIBLE OR
31 INTANGIBLE PROPERTY, OR ANY INTEREST IN PROPERTY;

32 (9) SELL, LEASE AS A LESSOR, TRANSFER, LICENSE, SUBLICENSE,
33 ASSIGN, AND DISPOSE OF ANY PROPERTY OR INTEREST IN PROPERTY, NECESSARY OR
34 CONVENIENT TO CARRY OUT ITS PURPOSES;

1 (10) ACQUIRE, DIRECTLY OR INDIRECTLY, BY PURCHASE, GIFT, OR
2 DEVISE, LAND, REAL OR PERSONAL PROPERTY, RIGHTS, RIGHTS-OF-WAY,
3 FRANCHISES, EASEMENTS, AND OTHER INTERESTS IN LAND, INCLUDING LAND
4 LYING UNDER WATER AND RIPARIAN RIGHTS, LOCATED IN OR OUTSIDE THE STATE
5 AS NECESSARY OR CONVENIENT TO CONSTRUCT, IMPROVE, REHABILITATE, OR
6 OPERATE A PROJECT, ON TERMS AND AT PRICES THE CORPORATION CONSIDERS
7 REASONABLE;

8 (11) FIX, REVISE, AND COLLECT RATES, RENTALS, FEES, ROYALTIES, AND
9 CHARGES FOR THE USE OF OR FOR SERVICES AND RESOURCES PROVIDED OR MADE
10 AVAILABLE BY THE CORPORATION;

11 (12) MAKE GRANTS TO OR PROVIDE EQUITY INVESTMENT FINANCING
12 FOR AGRICULTURAL AND RESOURCE-BASED BUSINESSES;

13 (13) ENGAGE ANY NECESSARY ACCOUNTANTS, ENGINEERS, FINANCIAL
14 ADVISORS, AND OTHER CONSULTANTS;

15 (14) WITH THE APPROVAL OF THE ATTORNEY GENERAL, ENGAGE ANY
16 NECESSARY LAWYERS;

17 (15) CREATE, OWN, CONTROL, OR BE A MEMBER OF, A CORPORATION,
18 LIMITED LIABILITY COMPANY, PARTNERSHIP, OR OTHER ENTITY, WHETHER
19 OPERATED FOR PROFIT OR NOT FOR PROFIT;

20 (16) ENTER INTO A PROJECT WITH A MANUFACTURER TO CARRY OUT THE
21 PURPOSES OF THE CORPORATION;

22 (17) EXERCISE A POWER USUALLY POSSESSED BY A PRIVATE
23 CORPORATION IN PERFORMING SIMILAR FUNCTIONS UNLESS TO DO SO WOULD
24 CONFLICT WITH THE LAWS OF THE STATE; AND

25 (18) DO ANYTHING NECESSARY OR CONVENIENT TO CARRY OUT THE
26 POWERS GRANTED BY THIS SUBTITLE.

27 13-508.

28 THE CORPORATION MAY:

29 (1) SUBJECT TO THE RIGHTS OF HOLDERS OF BONDS OF THE
30 CORPORATION:

31 (I) RENEGOTIATE, REFINANCE, OR FORECLOSE ON ANY
32 MORTGAGE, SECURITY INTEREST, OR LIEN;

33 (II) COMMENCE ANY ACTION TO PROTECT OR ENFORCE ANY RIGHT
34 OR BENEFIT CONFERRED ON THE CORPORATION BY ANY LAW, MORTGAGE, SECURITY
35 INTEREST, LIEN, CONTRACT, OR OTHER AGREEMENT; AND

1 (III) BID FOR AND PURCHASE PROPERTY AT ANY FORECLOSURE OR
2 AT ANY OTHER SALE OR OTHERWISE ACQUIRE OR TAKE POSSESSION OF ANY
3 PROPERTY, IN WHICH CASE THE CORPORATION MAY COMPLETE, ADMINISTER, PAY
4 THE PRINCIPAL OF ANY INTEREST ON ANY OBLIGATION INCURRED IN CONNECTION
5 WITH THE PROPERTY, DISPOSE OF AND OTHERWISE DEAL WITH THE PROPERTY IN
6 ANY MANNER NECESSARY OR DESIRABLE TO PROTECT THE INTEREST OF THE
7 CORPORATION OR THE HOLDERS OF ITS BONDS IN THE PROPERTY;

8 (2) PROCURE OR PROVIDE FOR THE PROCUREMENT OF INSURANCE OR
9 REINSURANCE AGAINST ANY LOSS IN CONNECTION WITH ITS PROPERTY OR
10 OPERATIONS, INCLUDING INSURANCE, REINSURANCE, OR OTHER GUARANTEES
11 FROM ANY FEDERAL OR STATE GOVERNMENTAL UNIT OR PRIVATE INSURANCE
12 COMPANY FOR THE PAYMENT OF ANY BONDS ISSUED BY THE CORPORATION, OR
13 BONDS, NOTES OR ANY OTHER OBLIGATIONS OR EVIDENCES OF INDEBTEDNESS
14 ISSUED OR MADE BY ANY LENDING INSTITUTION OR OTHER ENTITY OR PERSON, OR
15 INSURANCE OR REINSURANCE AGAINST LOSS WITH RESPECT TO AGRICULTURAL
16 LOANS, MORTGAGES OR MORTGAGE LOANS, OR ANY OTHER TYPE OF LOANS,
17 INCLUDING THE POWER TO PAY PREMIUMS ON THE INSURANCE OR REINSURANCE;

18 (3) INSURE, CO-INSURE, REINSURE, OR CAUSE TO BE INSURED,
19 CO-INSURED, OR REINSURED, AGRICULTURAL LOANS, MORTGAGE LOANS OR
20 MORTGAGES, OR ANY OTHER TYPE OF LOANS AND PAY OR RECEIVE PREMIUMS ON
21 THE INSURANCE, CO-INSURANCE, OR REINSURANCE, AND ESTABLISH RESERVES
22 FOR LOSSES, AND PARTICIPATE IN THE INSURANCE, CO-INSURANCE, OR
23 REINSURANCE OF AGRICULTURAL LOANS, MORTGAGE LOANS OR MORTGAGES, OR
24 ANY OTHER TYPE OF LOANS WITH THE FEDERAL OR STATE GOVERNMENT OR ANY
25 PRIVATE INSURANCE COMPANY;

26 (4) UNDERTAKE AND CARRY OUT OR AUTHORIZE THE COMPLETION OF
27 STUDIES AND ANALYSES OF AGRICULTURAL CONDITIONS AND NEEDS IN THE STATE
28 AND NEEDS RELATING TO THE PROMOTION OF AGRICULTURAL INDUSTRIES AND
29 WAYS OF MEETING THOSE NEEDS, AND MAKE THE STUDIES AND ANALYSES
30 AVAILABLE TO THE PUBLIC AND TO THE AGRICULTURAL INDUSTRIES, AND TO
31 ENGAGE IN RESEARCH OR DISSEMINATE INFORMATION ON AGRICULTURE AND
32 AGRICULTURAL MARKETING AND PROMOTION;

33 (5) ACCEPT FEDERAL, STATE, OR PRIVATE FINANCIAL OR TECHNICAL
34 ASSISTANCE AND COMPLY WITH ANY CONDITIONS FOR THAT ASSISTANCE THAT ARE
35 NOT IN CONFLICT WITH THE INTENT OF THIS SUBTITLE;

36 (6) ESTABLISH AND COLLECT FEES AND CHARGES IN CONNECTION
37 WITH ITS LOANS, DEPOSITS, INSURANCE COMMITMENTS, AND SERVICES, INCLUDING
38 REIMBURSEMENT OF COSTS OF ISSUING BONDS, ORIGINATION AND SERVICING
39 FEES, AND INSURANCE PREMIUMS;

40 (7) MAKE LOANS TO OR DEPOSITS WITH LENDING INSTITUTIONS AND
41 PURCHASE OR SELL AGRICULTURAL LOANS;

1 (8) ACQUIRE OR CONTRACT TO ACQUIRE FROM ANY PERSON, BY GRANT,
2 PURCHASE, OR OTHERWISE, MOVABLE OR IMMOVABLE PROPERTY OR ANY INTEREST
3 IN PROPERTY;

4 (9) OWN, HOLD, CLEAR, IMPROVE, LEASE, CONSTRUCT, OR
5 REHABILITATE, AND SELL, INVEST, ASSIGN, EXCHANGE, TRANSFER, CONVEY, LEASE,
6 MORTGAGE, OR OTHERWISE DISPOSE OF OR ENCUMBER PROPERTY, SUBJECT TO THE
7 RIGHTS OF HOLDERS OF THE BONDS OF THE CORPORATION, AT PUBLIC OR PRIVATE
8 SALE, WITH OR WITHOUT PUBLIC BIDDING;

9 (10) BORROW MONEY, ISSUE BONDS, AND PROVIDE FOR THE RIGHTS OF
10 THE LENDERS OR HOLDER THEREOF AND PURCHASE, DISCOUNT, SELL, NEGOTIATE
11 AND GUARANTEE, INSURE, CO-INSURE AND REINSURE NOTES, DRAFTS, CHECKS,
12 BILLS OF EXCHANGE, ACCEPTANCES, BANKERS' ACCEPTANCES, CABLE TRANSFERS,
13 LETTERS OF CREDIT, AND OTHER EVIDENCE OF INDEBTEDNESS;

14 (11) SUBJECT TO THE RIGHTS OF HOLDERS OF THE BONDS OF THE
15 CORPORATION, CONSENT TO ANY MODIFICATION WITH RESPECT TO THE RATE OF
16 INTEREST, TIME, PAYMENT OF ANY INSTALLMENT OF PRINCIPAL OR INTEREST,
17 SECURITY, OR ANY OTHER TERM OR CONDITION OF ANY LOAN, CONTRACT,
18 MORTGAGE, MORTGAGE LOAN, OR COMMITMENT OR AGREEMENT OF ANY KIND TO
19 WHICH THE CORPORATION IS A PARTY OR BENEFICIARY; AND

20 (12) ISSUE REVENUE BONDS UNDER § 13-510 OF THIS SUBTITLE.

21 13-509.

22 (A) (1) THE CORPORATION MAY PURCHASE OR CONTRACT TO PURCHASE
23 AND SELL OR CONTRACT TO SELL AGRICULTURAL LOANS MADE BY LENDING
24 INSTITUTIONS, AT THE PRICES AND ON THE TERMS AND CONDITIONS THAT IT
25 DETERMINES.

26 (2) A LENDING INSTITUTION MAY PURCHASE AND SELL AGRICULTURAL
27 LOANS TO THE CORPORATION IN ACCORDANCE WITH THE PROVISIONS OF THIS
28 SECTION.

29 (B) (1) THE CORPORATION MAY MAKE, OR CONTRACT TO MAKE, LOANS TO
30 AND DEPOSITS WITH LENDING INSTITUTIONS AT INTEREST RATES, TERMS, AND
31 CONDITIONS THAT IT DETERMINES.

32 (2) A LENDING INSTITUTION MAY BORROW FUNDS AND ACCEPT
33 DEPOSITS FROM THE CORPORATION IN ACCORDANCE WITH THIS SUBTITLE AND THE
34 BYLAWS OF THE CORPORATION.

35 (3) THE CORPORATION SHALL REQUIRE THAT ALL PROCEEDS OF ITS
36 LOANS TO OR DEPOSITS WITH LENDING INSTITUTIONS, OR AN EQUIVALENT
37 AMOUNT, SHALL BE USED BY THE LENDING INSTITUTIONS TO MAKE AGRICULTURAL
38 LOANS, SUBJECT TO TERMS AND CONDITIONS THAT THE CORPORATION MAY
39 PRESCRIBE.

1 (C) THE CORPORATION MAY INSURE AND REINSURE AGRICULTURAL LOANS
2 MADE BY LENDING INSTITUTIONS, SUBJECT TO THE TERMS, CONDITIONS,
3 LIMITATIONS, COLLATERAL AND SECURITY PROVISIONS, AND RESERVE
4 REQUIREMENTS DETERMINED BY THE CORPORATION IN ACCORDANCE WITH THE
5 BYLAWS OF THE CORPORATION.

6 (D) UNLESS OTHERWISE DETERMINED BY THE CORPORATION,
7 AGRICULTURAL LOANS SHALL BE INSURED TO THE AMOUNT OF 100% OF THE UNPAID
8 PRINCIPAL AND INTEREST ON EACH LOAN.

9 (E) AN INSURED AGRICULTURAL LOAN IS IN DEFAULT WHEN THE HOLDER OF
10 THE LOAN APPLIES TO THE CORPORATION FOR PAYMENT OF INSURANCE ON THE
11 LOAN STATING THAT THE LOAN IS IN DEFAULT IN ACCORDANCE WITH THE TERMS
12 OF ANY AGREEMENT WITH RESPECT TO THE INSURANCE EXECUTED IN
13 ACCORDANCE WITH THIS SECTION.

14 (F) THE CORPORATION MAY ENTER INTO AGREEMENTS WITH ANY PERSON,
15 LENDING INSTITUTION, OR HOLDER OF AN INSURED AGRICULTURAL LOAN ON
16 TERMS THAT MAY BE AGREED ON BETWEEN THE CORPORATION AND THE PERSON,
17 LENDING INSTITUTION, OR HOLDER, TO:

18 (1) PROVIDE FOR THE ADMINISTRATION, APPLICATIONS, AND
19 REPAYMENT OF THE LOAN; AND

20 (2) ESTABLISH THE CONDITIONS FOR PAYMENT OF INSURANCE BY THE
21 CORPORATION, AND THE SERVICING, SUIT ON, OR FORECLOSURE OF THE LOAN.

22 (G) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, THE
23 AGGREGATE VALUE OF ALL AGRICULTURAL LOANS INSURED BY THE CORPORATION
24 AND OUTSTANDING AT ANY ONE TIME MAY NOT EXCEED 20 TIMES THE TOTAL VALUE
25 OF FUNDS, INVESTMENTS, PROPERTIES, AND OTHER ASSETS OF THE CORPORATION.

26 (2) THE AGGREGATE VALUE OF AGRICULTURAL LOANS INSURED AND
27 OUTSTANDING MAY BE FURTHER EXPANDED BY USE OF FEDERAL, STATE, OR
28 PRIVATE LOAN INSURANCE, REINSURANCE, OR GUARANTEES OF WHICH THE
29 CORPORATION IS OR SHALL BECOME THE BENEFICIARY.

30 13-510.

31 (A) THE CORPORATION MAY PROVIDE BY RESOLUTION FOR THE ISSUANCE AT
32 ONE TIME, OR IN SERIES FROM TIME TO TIME, OF REVENUE BONDS OF THE
33 CORPORATION TO FINANCE OR REFINANCE ALL OR A PART OF THE COSTS OF A
34 PROJECT, AND FOR OTHER PURPOSES OF THE CORPORATION STATED IN THIS
35 SUBTITLE.

36 (B) (1) THE BONDS SHALL BE DATED, SHALL BEAR INTEREST AT A RATE OR
37 RATES, AND SHALL MATURE AT A TIME OR TIMES NOT EXCEEDING 40 YEARS FROM
38 THE DATE OR DATES OF THEIR RESPECTIVE ISSUES, AS THE CORPORATION MAY
39 DETERMINE, AND MAY BE SOLD AT THE PRICE OR PRICES AND UNDER THE TERMS
40 AND CONDITIONS FIXED BY THE CORPORATION BEFORE ISSUING THE BONDS.

1 (2) THE PROCEEDS OF ANY BONDS MAY BE PLACED IN ESCROW
2 PENDING APPLICATION OF THE PROCEEDS TO THE PURPOSES FOR WHICH THE
3 BONDS ARE ISSUED.

4 (C) (1) (I) THE BONDS MAY NOT BE DEEMED TO CONSTITUTE A DEBT,
5 LIABILITY, OR A PLEDGE OF THE FULL FAITH AND CREDIT OF THE STATE OR OF ANY
6 POLITICAL SUBDIVISION OF THE STATE OTHER THAN THE CORPORATION.

7 (II) THE BONDS SHALL BE PAYABLE SOLELY FROM THE FUNDS
8 PROVIDED IN THIS SECTION.

9 (2) ALL BONDS OF THE CORPORATION SHALL CONTAIN ON THEIR FACE
10 A STATEMENT TO THE EFFECT THAT:

11 (I) NEITHER THE STATE NOR ANY POLITICAL SUBDIVISION OF THE
12 STATE OTHER THAN THE CORPORATION SHALL BE OBLIGATED TO PAY THE BOND OR
13 THE INTEREST ON THE BOND EXCEPT FROM REVENUES PLEDGED TO THE BOND;
14 AND

15 (II) NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING
16 POWER OF THE STATE OR ANY POLITICAL SUBDIVISION OF THE STATE IS PLEDGED
17 TO THE PAYMENT OF THE PRINCIPAL OF OR THE INTEREST ON THE BONDS.

18 (3) (I) THE ISSUANCE OF A BOND UNDER THIS SUBTITLE IS NOT
19 DIRECTLY OR INDIRECTLY OR CONTINGENTLY AN OBLIGATION, MORAL OR OTHER,
20 OF THE STATE OR ANY POLITICAL SUBDIVISION OF THE STATE TO LEVY OR PLEDGE
21 ANY FORM OF TAXATION FOR THE BOND OR TO MAKE ANY APPROPRIATION FOR
22 PAYMENT OF THE BOND.

23 (II) NOTHING IN THIS SECTION MAY PREVENT THE CORPORATION
24 FROM PLEDGING THE FULL FAITH AND CREDIT OF THE CORPORATION TO THE
25 PAYMENT OF A BOND AUTHORIZED UNDER THIS SUBTITLE.

26 (III) THIS SECTION DOES NOT LIMIT THE ABILITY OF THE STATE OR
27 A SUBDIVISION OF THE STATE TO SET, IMPOSE, OR COLLECT AN ASSESSMENT, RATE,
28 FEE, OR CHARGE TO PAY TO THE CORPORATION THE COST OF A PROJECT, INCLUDING
29 THE PRINCIPAL OF AND INTEREST ON A BOND, UNDER AN AGREEMENT BETWEEN
30 THE CORPORATION AND THE STATE OR POLITICAL SUBDIVISION.

31 (D) THE CORPORATION SHALL DETERMINE:

32 (1) THE FORM OF THE BONDS;

33 (2) THE MANNER OF EXECUTING THE BONDS;

34 (3) THE DENOMINATION OR DENOMINATIONS OF THE BONDS; AND

35 (4) THE PLACE OR PLACES OF PAYMENT OF PRINCIPAL AND INTEREST,
36 WHICH MAY BE A BANK OR TRUST COMPANY IN OR OUTSIDE THE STATE.

1 (E) (1) THE BONDS SHALL BE EXECUTED IN THE MANNER DETERMINED BY
2 THE CORPORATION.

3 (2) THE BONDS MAY BE EXECUTED BY FACSIMILE SIGNATURE.

4 (3) IF ANY OFFICER WHOSE SIGNATURE APPEARS ON A BOND CEASES
5 TO HOLD THAT OFFICE BEFORE THE BONDS ARE DELIVERED, THE SIGNATURE OF
6 THE OFFICER REMAINS VALID AND SUFFICIENT FOR ALL PURPOSES, AS IF THE
7 OFFICER HAD REMAINED IN OFFICE UNTIL DELIVERY.

8 (F) (1) ALL BONDS ISSUED UNDER THIS SECTION ARE NEGOTIABLE
9 INSTRUMENTS UNDER THE LAWS OF THE STATE.

10 (2) PROVISION MAY BE MADE FOR THE REGISTRATION OF BONDS.

11 (G) (1) THE BONDS SHALL BE SOLD BY THE CORPORATION, AT PUBLIC OR
12 PRIVATE SALE, IN A MANNER AND FOR A PRICE AS THE CORPORATION MAY
13 DETERMINE.

14 (2) BONDS AUTHORIZED UNDER THIS SECTION ARE EXEMPT FROM §§
15 8-206 AND 8-208 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

16 (H) (1) (I) THE CORPORATION MAY PROVIDE FOR THE ISSUANCE OF ITS
17 BONDS TO REFUNDING ANY OUTSTANDING BONDS, INCLUDING THE PAYMENT OF
18 ANY REDEMPTION PREMIUM AND ANY INTEREST ACCRUED OR ACCRUING TO A
19 LATER DATE OF REDEMPTION, PURCHASE, OR MATURITY OF THE BONDS, AND, IF THE
20 CORPORATION DETERMINES IT ADVISABLE, FOR THE ADDITIONAL PURPOSE OF
21 PAYING ALL OR ANY PART OF THE COST OF A PROJECT.

22 (II) REFUNDING BONDS MAY BE ISSUED BY THE CORPORATION FOR
23 ANY CORPORATE PURPOSE, INCLUDING THE PUBLIC PURPOSES OF REALIZING
24 SAVINGS IN THE EFFECTIVE COSTS OF DEBT SERVICE, DIRECTLY OR THROUGH A
25 DEBT RESTRUCTURING, OR ALLEVIATING AN IMPENDING OR ACTUAL DEFAULT, OR
26 RELIEVING THE CORPORATION OF CONTRACTUAL AGREEMENTS WHICH, IN THE
27 OPINION OF THE CORPORATION, HAVE BECOME UNREASONABLY ONEROUS,
28 IMPRACTICABLE, OR IMPOSSIBLE TO PERFORM.

29 (III) REFUNDING BONDS IN ONE OR MORE SERIES MAY BE ISSUED
30 IN AN AMOUNT IN EXCESS OF THAT OF THE BONDS TO BE REFUNDED.

31 (IV) REFUNDING BONDS MAY BE PAYABLE FROM:

- 32 1. ESCROWED BOND PROCEEDS;
33 2. INTEREST, INCOME, AND PROFITS, IF ANY, ON
34 INVESTMENTS; AND
35 3. ANY OTHER SOURCE.

1 (V) THESE SOURCES MAY BE IN ADDITION TO OTHER LAWFUL USES
2 AND SHALL CONSTITUTE REVENUES OF A PROJECT UNDER THIS SUBTITLE.

3 (2) THE PROCEEDS OF BONDS ISSUED FOR THE PURPOSE OF
4 REFUNDING OUTSTANDING BONDS MAY, IN THE DISCRETION OF THE CORPORATION,
5 BE APPLIED TO THE PURCHASE OR RETIREMENT AT MATURITY OR REDEMPTION OF
6 THE OUTSTANDING BONDS ON ANY SUBSEQUENT REDEMPTION DATE, AND MAY,
7 PENDING THAT APPLICATION, BE PLACED IN ESCROW TO BE APPLIED TO THE
8 PURCHASE OR RETIREMENT AT MATURITY OR REDEMPTION ON A DATE
9 DETERMINED BY THE CORPORATION.

10 (3) (I) ANY ESCROWED BOND PROCEEDS, PENDING APPLICATION,
11 MAY BE INVESTED AND REINVESTED IN INVESTMENTS AND OTHER OBLIGATIONS
12 MATURING AT A TIME OR TIMES APPROPRIATE TO ASSURE THE PROMPT PAYMENT,
13 AS TO PRINCIPAL, INTEREST, AND REDEMPTION PREMIUM, IF ANY, OF THE
14 OUTSTANDING BONDS TO BE REFUNDED.

15 (II) THE INVESTMENT OF THE BOND PROCEEDS SHALL BE:

16 1. DETERMINED BY THE CORPORATION; OR

17 2. IF THE PROCEEDS OF THE BONDS ARE BEING LOANED BY
18 THE CORPORATION TO A PERSON UNDER SUBSECTION (K) OF THIS SECTION,
19 DETERMINED BY THE PERSON.

20 (III) THE INTEREST, INCOME, AND PROFITS, IF ANY, EARNED OR
21 REALIZED ON THE INVESTMENTS OR OTHER OBLIGATIONS MAY ALSO BE APPLIED TO
22 THE PAYMENT OF THE OUTSTANDING BONDS TO BE REFUNDED.

23 (IV) AFTER THE TERMS OF THE ESCROW HAVE BEEN FULLY
24 SATISFIED AND CARRIED OUT, ANY BALANCE OF THE PROCEEDS AND INTEREST,
25 INCOME, AND PROFITS, IF ANY, EARNED OR REALIZED ON THE INVESTMENTS OR
26 OTHER OBLIGATIONS MAY BE RETURNED TO THE CORPORATION OR THE PERSON
27 BEING LOANED THE PROCEEDS OF THE BONDS FOR USE IN ANY LAWFUL MANNER.

28 (I) (1) THE PORTION OF THE PROCEEDS OF ANY BONDS ISSUED FOR THE
29 PURPOSE OF PAYING ALL OR ANY PART OF THE COST OF A PROJECT MAY BE
30 INVESTED AND REINVESTED IN INVESTMENTS AND ANY OTHER OBLIGATIONS
31 MATURING NOT LATER THAN THE TIME OR TIMES WHEN THE PROCEEDS WILL BE
32 NEEDED FOR THE PURPOSE OF PAYING ALL OR ANY PART OF THE COST OF THE
33 PROJECT.

34 (2) THE INVESTMENT OF BOND PROCEEDS SHALL BE DETERMINED:

35 (I) BY THE CORPORATION; OR

36 (II) IF THE CORPORATION IS LOANING THE PROCEEDS TO A
37 PERSON UNDER SUBSECTION (K) OF THIS SECTION, BY THE PERSON.

1 (3) THE INTEREST, INCOME, AND PROFITS, IF ANY, EARNED OR
2 REALIZED ON THE INVESTMENTS OR OTHER OBLIGATIONS MAY BE APPLIED TO THE
3 PAYMENT OF ALL OR ANY PART OF THE COST OR MAY BE USED BY THE
4 CORPORATION OR THE PERSON BEING LOANED THE PROCEEDS OF THE BONDS IN
5 ANY LAWFUL MANNER.

6 (J) (1) THE CORPORATION MAY PLEDGE OR ASSIGN ALL OR ANY PORTION
7 OF ITS REVENUES, ITS RIGHTS TO RECEIVE THEM, OR MONEYS AND SECURITIES IN
8 THE FUNDS AND ACCOUNTS ESTABLISHED TO SECURE ITS BONDS AND ANY LIEN OR
9 SECURITY INTEREST GRANTED OR ASSIGNMENT MADE BY THE CORPORATION.

10 (2) ANY PLEDGE OR ASSIGNMENT SHALL BE:

11 (I) VALID AND BINDING AGAINST ANY PERSON HAVING A CLAIM OF
12 ANY KIND AGAINST THE CORPORATION, IN CONTRACT, TORT, OR OTHERWISE,
13 REGARDLESS OF WHETHER THE PERSON HAS NOTICE; AND

14 (II) PRIOR TO THE CLAIM.

15 (3) NO RESOLUTION, TRUST INDENTURE, ASSIGNMENT, FINANCING
16 AGREEMENT, OR OTHER INSTRUMENT CREATING A LIEN ON, SECURITY INTEREST IN,
17 OR ASSIGNMENT OF ANY REVENUES, ITS RIGHTS TO RECEIVE REVENUES OR MONEYS
18 AND SECURITIES IN THE FUNDS AND ACCOUNTS PLEDGED TO BONDS OF THE
19 CORPORATION NEED BE FILED OR RECORDED EXCEPT IN THE RECORDS OF THE
20 CORPORATION.

21 (K) (1) THE CORPORATION MAY:

22 (I) LEND OR OTHERWISE MAKE AVAILABLE THE PROCEEDS OF ITS
23 BONDS TO ANY PERSON IN ORDER TO FINANCE OR REFINANCE THE COSTS OF ANY
24 PROJECT; AND

25 (II) ENTER INTO FINANCING AGREEMENTS, MORTGAGES, AND
26 OTHER INSTRUMENTS THAT THE CORPORATION DETERMINES TO BE NECESSARY OR
27 DESIRABLE TO EVIDENCE OR SECURE THE LOAN.

28 (2) IF ANY PROJECT IS LEASED TO ANY PERSON, THE LEASE MAY
29 PROVIDE THAT THE LESSEE OR ANOTHER PERSON MAY OR SHALL PURCHASE OR
30 OTHERWISE ACQUIRE THE PROJECT FOR CONSIDERATION, WHICH MAY BE NOMINAL,
31 AS THE CORPORATION MAY ESTABLISH:

32 (I) ON THE PAYMENT OF THE BONDS THAT FINANCED OR
33 REFINANCED THE COST OF THE PROJECT AND INTEREST ON THE BONDS; OR

34 (II) ON PROVISION FOR PAYMENT THAT IS SATISFACTORY TO THE
35 CORPORATION.

36 (L) (1) (I) AT THE DISCRETION OF THE CORPORATION, THE BONDS MAY
37 BE SECURED BY A TRUST INDENTURE BY AND BETWEEN THE CORPORATION AND

1 CORPORATE TRUSTEE, WHICH MAY BE ANY TRUST COMPANY OR BANK THAT HAS
2 THE POWERS OF A TRUST COMPANY IN OR OUTSIDE THE STATE.

3 (II) EITHER THE RESOLUTION PROVIDING FOR THE ISSUANCE OF
4 BONDS OR THE TRUST INDENTURE MAY CONTAIN PROVISIONS FOR PROTECTING
5 AND ENFORCING THE RIGHTS AND REMEDIES OF THE BONDHOLDERS, INCLUDING
6 COVENANTS STATING THE DUTIES OF THE CORPORATION IN RELATION TO THE
7 CUSTODY, SAFEGUARDING, AND APPLICATION OF ALL MONEYS.

8 (III) A CORPORATION OR TRUST COMPANY INCORPORATED UNDER
9 THE LAWS OF THE STATE MAY:

10 1. ACT AS DEPOSITORY OF THE PROCEEDS OF THE BONDS OR
11 REVENUES; AND

12 2. FURNISH ANY INDEMNITY BONDS OR PLEDGE ANY
13 SECURITIES THAT THE CORPORATION REQUIRES.

14 (2) (I) THE RESOLUTION OR TRUST INDENTURE MAY SET FORTH THE
15 RIGHTS AND REMEDIES OF THE BONDHOLDERS AND OF ANY TRUSTEE, AND MAY
16 RESTRICT THE INDIVIDUAL RIGHT OF ACTION OF BONDHOLDERS.

17 (II) THE CORPORATION MAY PROVIDE BY RESOLUTION OR BY THE
18 TRUST INDENTURE FOR:

19 1. THE PAYMENT OF THE PROCEEDS OF THE SALE OF THE
20 BONDS AND THE REVENUES OF THE CORPORATION TO AN OFFICER, BOARD, OR
21 DEPOSITORY THAT THE CORPORATION DETERMINES FOR THEIR CUSTODY; AND

22 2. THE METHOD OF DISBURSEMENT, WITH SAFEGUARDS
23 AND RESTRICTIONS THAT THE CORPORATION DETERMINES.

24 (III) ALL EXPENSES INCURRED IN CARRYING OUT ANY TRUST
25 INDENTURE MAY BE TREATED AS A PART OF THE COST OF OPERATION OF THE
26 CORPORATION.

27 13-511.

28 (A) THE STATE TREASURER MAY ADVANCE TO THE CORPORATION AN
29 AMOUNT NOT EXCEEDING \$250,000 FOR THE INITIAL EXPENSES OF THE
30 CORPORATION.

31 (B) THE CORPORATION SHALL REPAY THE ADVANCE OUT OF THE FIRST
32 MONEYS AVAILABLE TO THE CORPORATION FROM ITS REVENUES.

33 (C) THE REPAYMENT SHALL BE MADE AT A RATE OF INTEREST THAT IS
34 CONSISTENT WITH SIMILAR STATE INVESTMENTS.

1 13-512.

2 THE BOOKS AND RECORDS OF THE CORPORATION ARE SUBJECT TO AUDIT:

3 (1) BY THE STATE AT ITS DISCRETION; AND

4 (2) EACH YEAR BY AN INDEPENDENT AUDITOR APPROVED BY THE
5 OFFICE OF LEGISLATIVE AUDITS.

6 13-513.

7 (A) WITHIN 90 DAYS AFTER THE START OF EACH FISCAL YEAR, THE
8 CORPORATION SHALL REPORT ON ITS STATUS TO THE GOVERNOR, THE MARYLAND
9 AGRICULTURAL COMMISSION, THE MARYLAND ECONOMIC DEVELOPMENT
10 COMMISSION, AND SUBJECT TO § 2-1246 OF THE STATE GOVERNMENT ARTICLE, TO
11 THE GENERAL ASSEMBLY.

12 (B) THE REPORT SHALL STATE THE COMPLETE OPERATING AND FINANCIAL
13 STATEMENT COVERING THE CORPORATION'S OPERATIONS AND SUMMARIZE THE
14 CORPORATION'S ACTIVITIES DURING THE PRECEDING FISCAL YEAR.

15 13-514.

16 (A) THE CORPORATION IS EXEMPT FROM:

17 (1) STATE AND LOCAL TAXES;

18 (2) TITLE 10 AND DIVISION II OF THE STATE FINANCE AND
19 PROCUREMENT ARTICLE;

20 (3) LAWS GOVERNING THE STATE PERSONNEL MANAGEMENT SYSTEM
21 UNDER DIVISION I OF THE STATE PERSONNEL AND PENSIONS ARTICLE;

22 (4) TITLE 10, SUBTITLE 5 OF THE STATE GOVERNMENT ARTICLE; AND

23 (5) ARTICLE 31, §§ 9, 10, AND 11 OF THE CODE.

24 (B) THE CORPORATION, ITS BOARD OF DIRECTORS, AND EMPLOYEES ARE
25 SUBJECT TO:

26 (1) THE PUBLIC ETHICS LAW, TITLE 15 OF THE STATE GOVERNMENT
27 ARTICLE; AND

28 (2) THE PUBLIC INFORMATION ACT, TITLE 10, SUBTITLE 6 OF THE STATE
29 GOVERNMENT ARTICLE.

30 (C) (1) THE CORPORATION SHALL RECEIVE ANNUAL FUNDING THROUGH
31 AN APPROPRIATION IN THE STATE BUDGET.

32 (2) THE CORPORATION MAY ALSO RECEIVE FUNDS FOR PROJECTS
33 INCLUDED IN THE BUDGETS OF STATE UNITS.

1 (3) ALL UNEXPENDED AND UNENCUMBERED FUNDS APPROPRIATED TO
2 THE CORPORATION SHALL REMAIN WITH THE CORPORATION FOR FUTURE USES.

3 (4) THE CORPORATION SHALL CONDUCT ITS FINANCIAL AFFAIRS IN
4 SUCH A MANNER THAT, BY THE YEAR 2020, IT SHALL BE SELF-SUFFICIENT AND IN NO
5 FURTHER NEED OF GENERAL OPERATING SUPPORT BY THE STATE.

6 (D) THE DEPARTMENT OF AGRICULTURE, THE DEPARTMENT OF NATURAL
7 RESOURCES, THE DEPARTMENT OF BUSINESS AND ECONOMIC DEVELOPMENT, THE
8 MARYLAND FOOD CENTER AUTHORITY, THE MARYLAND ECONOMIC DEVELOPMENT
9 CORPORATION, THE MARYLAND TECHNOLOGY DEVELOPMENT CORPORATION, THE
10 RURAL MARYLAND COUNCIL, AND MARYLAND COOPERATIVE EXTENSION SERVICE
11 MAY PROVIDE TECHNICAL AND OTHER SUPPORT TO THE CORPORATION.

12 (E) EACH UNIT IN THE EXECUTIVE BRANCH OF STATE GOVERNMENT AND
13 EACH INSTITUTION OF HIGHER EDUCATION IN THE STATE MAY WORK WITH THE
14 CORPORATION ON MATTERS RELATING TO THE UNIT.

15 (F) EACH COUNTY, MUNICIPAL CORPORATION, AND REGIONAL PLANNING
16 AND DEVELOPMENT COUNCIL IN THE STATE MAY WORK WITH THE CORPORATION
17 ON MATTERS RELATING TO THE POLITICAL SUBDIVISION OR ENTITY.

18 13-515.

19 (A) ALL DEBTS, CLAIMS, OBLIGATIONS, AND LIABILITIES OF THE
20 CORPORATION, WHENEVER INCURRED, SHALL BE THE DEBTS, CLAIMS,
21 OBLIGATIONS, AND LIABILITIES OF THE CORPORATION ONLY AND NOT OF THE
22 STATE, UNITS OF STATE GOVERNMENT, OTHER STATE INSTRUMENTALITIES, OR
23 STATE OFFICERS OR EMPLOYEES.

24 (B) THE DEBTS, CLAIMS, OBLIGATIONS, AND LIABILITIES OF THE
25 CORPORATION MAY NOT BE CONSIDERED A DEBT OF THE STATE OR A PLEDGE OF ITS
26 CREDIT.

27 13-516.

28 THIS SUBTITLE SHALL BE LIBERALLY CONSTRUED TO CARRY OUT ITS
29 PURPOSES.

30 SECTION 2. AND BE IT FURTHER ENACTED, That the initial terms of the
31 members of the board of directors of the Maryland Agricultural and Resource-Based
32 Industry Development Corporation appointed under Article 41, § 13-504(b)(2) of the
33 Code, as enacted by Section 1 of this Act, expire as follows:

34 (1) 3 members in 2008;

35 (2) 3 members in 2007;

36 (3) 3 members in 2006;

1 (4) 2 members in 2005.

2 SECTION 3. AND BE IT FURTHER ENACTED, That if any provision of this
3 Act or the application thereof to any person or circumstance is held invalid for any
4 reason in a court of competent jurisdiction, the invalidity does not affect other
5 provisions or any other application of this Act which can be given effect without the
6 invalid provision or application, and for this purpose the provisions of this Act are
7 declared severable.

8 SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall take
9 effect July 1, 2004.